97TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 97-533

PROTECTION OF FOREIGN MISSIONS

MAY 17, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOWARD, from the Committee on Public Works and Transportation, submitted the following

REPORT

[To accompany H.R. 6254]

[Including cost estimate of the Congressional Budget Office]

The Committee on Public Works and Transportation, to whom was referred the bill (H.R. 6254) to amend title 3, United States Code, to clarify the function of the United States Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause of the bill and inserts a new text which appears in italic type in the reported bill.

BACKGROUND

The Act approved on March 19, 1970 (Public Law 91-217), changed the name of the White House Police to the Executive Protective Service and added to its responsibilities the protection of the foreign diplomatic missions located in the Washington Metropolitan area and foreign diplomatic missions located outside the Metropolitan area on a case-by-case basis as the President might direct. The authorized strength of the Executive Protective Service was set at 850 officers. The addition of the protection of the foreign diplomatic missions to the duties of the force and the increase in its size were in recognition of the obligation of the United States as the host government, under international law and practice, to take reasonable precautions to assure the safety of foreign diplomatic missions and their personnel. The Executive Protective Service also is responsible for the protection of the buildings and grounds of the White House and Executive Office Buildings.

The Foreign Missions Division of the Executive Protective Service became operational during 1970. The condition that prompted the

89-006 O

14643-3

establishment of the Foreign Missions Division was growing street crime in the Washington, D.C. area. The Service considered that a force of 850 uniformed officers could adequately fulfill the existing and added responsibility of the protection of foreign diplomatic missions.

Public Law 94–196, approved December 31, 1975, amended the Act by requiring the Secretary of Treasury to provide the protective forces of the Executive Protective Service to protect foreign diplomatic missions located in metropolitan areas located outside of the District of Columbia in the United States where there are located twenty or more such foreign diplomatic missions headed by full-time officers, except that such protection shall be provided only (a) on the basis of extraordinary protective need, (b) upon request of the affected metropolitan area, and (c) when the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization, provided that such protection may be extended at places of temporary domicile in connection with such a visit.

This Act authorized the Secretary of the Treasury to utilize, with their consent, on a reimbursable basis, the services, personnel, equipment, and facilities of State and local governments. There was authorized to be appropriated not more than $3,500,000 on an annual basis for the purposes of reimbursement to State and local governments. The Act also increased the strength of the Executive Protective Service from 850 to 1,200.

Passage of Public Law 94–196 was necessitated by the substantial rise in acts of political terrorism which increased the demand-and-need for such protective services. To illustrate the need for increased services, during the period from August of 1970 to August of 1973, the world experienced the assassination of members of the Israeli Olympic Team, the murder of two of our diplomats in Sudan, the shooting of Colonel Josef Alon, and a rash of politically motivated kidnapings. A stronger national interest was necessary in order to assure the safety of foreign officials visiting the United States, whether those visits were to Washington, D.C., or other areas of the United States. It was determined as a result of this increase of terrorists activities that local communities should no longer be forced to bear the full cost of what is essentially a national obligation. Further, it was recognized that the day-to-day protection of foreign diplomatic missions, which remains the responsibility of local police departments outside Washington, D.C., was in no way to be affected. However, the act did recognize that there are instances of extraordinary protective need when Federal assistance is wise and justified. The meaning of "extraordinary protective need" was determined to cover requirements for extra protection occasioned not only by specific events, such as the twenty-fifth anniversary of the United Nations or the annual session of the General Assembly but also by international incidents resulting in confrontations between nationalistic groups which require additional, heavy police protection beyond the ordinary capacity of the local governments. Examples of such situations are the confrontations arising during (1) the Middle East Conflict in late 1973; (2) the Greek-Turkish Cypriot Conflict, and (3) the Yasser Arafat visit in the fall of 1974.

Under existing law, the President can utilize the Executive Protective Service on a case-by-case basis in areas outside the District of Columbia when local authorities are not capable of providing the desired level of protection, however, this act provided a new option by allowing the Secretary to utilize the services, personnel, equipment and facilities of State and local governments, with their consent and on a reimbursable basis, to meet such extraordinary protective needs. Once it is determined that an extraordinary protective need exists, the Secretary should first consult with local officials to give them the option of providing the necessary protection, and receiving Federal reimbursement for such services, instead of dispatching a contingent of Executive Protective Service personnel. In 1975, it was determined that the cost in salary, transportation, and benefits of sending one Executive Protective Service officer to New York City for one week was estimated by the Treasury Department at $700, or an annual rate of about $35,000. Such a cost was estimated to be approximately double of what it would cost of using one New York City policeman. The act also granted the President the authority to transfer the administration of the reimbursement provision to the Secretary of State, if determined prudent, in view of the State Department's closer relationship with the demands of visits of foreign dignitaries or the potential problems at a mission associated with an international organization.

Public Law 95–179, approved November 15, 1977, changed the name of the Executive Protective Service to the United States Secret Service Uniformed Division.

Need for the Legislation

Since 1975, the Secretary of the Treasury has been authorized to reimburse State and local governments, upon request, for the utilization of services, personnel, equipment and facilities incurred because of extraordinary security measures needed to protect foreign diplomatic missions or officials. Under revised Treasury regulations promulgated in 1980, federal reimbursement is now available for not only extraordinary protective need associated with visits by major foreign personages but also for costs incurred in routine fixed post assignments and for motorcades. During 1981, fixed post coverage was maintained at 54 separate diplomatic locations.

At the present time, $3.5 million on an annual basis is available for purposes of reimbursement to State and local governments. After a thorough review of this situation, the Committee has determined that such sums are inadequate to meet the skyrocketing costs associated with protecting foreign missions and personages in this country.

For example, with its diplomatic community numbering in excess of 32,000, New York City has the largest concentration of foreign diplomats in the world. The costs of providing the necessary police protection are increasing dramatically and are coupled with severe reductions in the police force, amounting to one-third fewer police officers now than in 1975. Along with these budgetary and manpower restraints, disruptive and terrorist action in and around New York City is increasing. Until recently, security efforts dealt primarily with relatively minor disturbances and organized sit-ins. In the fall of

1980, a Cuban diplomat was shot to death on a city street, ending New York's previous record of no diplomatic bloodshed.

Violent assaults on diplomatic missions and facilities have increased and have led the New York City Police to conclude that European-style acts of terrorism will become more prevalent. Police intelligence reports indicate that there are now more than 1,000 disruptive or terrorist groups operating in the United States, many of which are based in New York. Between December 1979 and 1981, there were 18 terrorist bombings in New York City, including attacks against the Cuban Mission, the Soviet Mission, the Turkish Mission, the Yugoslav Bank, Aeroflot, the Cuban Ambassador's car, the Honduran Consulate, the Mexican Mission, the Egyptian Tourist Office and other assorted incidents.

With this increase in actual and projected terrorism, New York City's security costs have escalated. Pending claims, submitted on January 15, 1982, amounted to an estimated $13 million. Claims for FY 1982 expenses are anticipated to amount to $6.5 million. Of this total figure, there is $1.8 million in outstanding appropriations for FY 1982, leaving a total of $17.7 million of reimbursable claims eligible for federal repayment.

During its deliberations on how best to protect foreign missions in the most cost-effective manner, the Committee investigated the feasibility of stationing a contingent of United States Secret Service Uniformed Division officers in New York City on a permanent basis. After testimony was received from the Secret Service that the cost for them to protect the U.N. missions currently protected by the New York City Police Department would be $20 million the first year and $14.5 million every year thereafter, the Committee concluded that the New York City Police Department should continue performing this necessary security function on a reimbursable basis.

H.R. 6254 would amend existing law by increasing the amount from $3.5 million to $7 million annually for each fiscal year beginning after September 30, 1982, for the payment of reimbursement obligations to State and local governments. The reimbursement provisions would also include services and equipment utilized to provide protection to motorcades and at places associated with a visit qualifying under the present law. The latter language merely authorizes expenditures required in Public Law 96–74, the 1980 Treasury Appropriations Act, and carried on through succeeding continuing resolutions. Additionally, this legislation authorizes appropriations of $17.7 million for reimbursable obligations entered into prior to October 1, 1982, and currently outstanding. H.R. 6254 clearly provides that the amounts authorized in the bill are to be an addition to, and not a substitute for, funds already appropriated since 1975. The Committee also wishes to point out that the precise amount which New York City would receive would be subject to the approval by the Treasury Department of valid claims for reimbursements and would also be subject to appropriation.

Compliance With Clause 2(l) of Rule XI of the Rules of the House of Representatives

(1) With reference to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, no separate hearings were held on the

subject matter of this legislation by the Subcommittee on Oversight and Review. However, the Subcommittee on Public Buildings and Grounds held hearings on this subject matter which resulted in the reported bill.

(2) With reference to clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives the bill, as reported, does not provide new budget authority or increased tax expenditures.

(3) With reference to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee has received a report prepared by the Congressional Budget Office under section 403 of the Congressional Budget Act. The report is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 14, 1982.

HON. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 6254, a bill to amend title 3, United States Code, to clarify the function of the United States Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purposes.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

JAMES BLUM
(For Alice M. Rivlin, Director).

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 6254.

2. Bill title: A bill to amend title 3, United States Code, to clarify the function of the United States Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purposes.

3. Bill status: As ordered reported by the House Committee on Public Works and Transportation, May 13, 1982.

4. Bill purpose: H.R. 6254 extends the protective services of the United States Secret Service Executive Protective Service to motorcades of and places visited by foreign diplomats in metropolitan areas of the United States other than the District of Columbia where there are located twenty or more diplomatic missions headed by full-time officers.

For reimbursing state and local governments for their expenses incurred in protecting diplomatic missions during and after fiscal year 1983, the bill authorizes annual appropriations of $7 million (increased from $3.5 million). For reimbursing New York City for similar expenses incurred prior to fiscal year 1983, the bill authorizes an appropriation of $17.7 million. None of these funds could be obligated prior to October 1, 1982.

5. Cost estimate:

[By fiscal years, in millions of dollars]

Authorization level:	
1983	24.7
1984	7.0
1985	7.0
1986	7.0
1987	7.0
Estimated outlays:	
1983	23.0
1984	7.0
1985	7.0
1986	7.0
1987	7.0

The costs of this bill fall within budget function 750.

6. Basis of estimate: For the purpose of this estimate, it is assumed that the full amounts authorized are appropriated. Although $17.7 million is authorized for retroactive payments to New York City, and outlays of that amount are assumed in the above estimate, the Department of the Treasury may not certify expenses in that amount as eligible for reimbursement. (At least $13 million is expected to be certified.) This reimbursement will be made in one payment during fiscal year 1983. The rate of outlays from the $7 million permanent authorization is relatively unpredictable, due to the uncertainty of security and protection needs. Based on recent experience, however, CBO estimates that about $5 million will be expended in 1983 and $7 million in each of the fiscal years 1984 through 1987.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Steve Martin.

10. Estimate approved by:

C. G. Nuckols
(For James L. Blum,
Assistant Director for Budget Analysis).

(4) With reference to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has not received a report from the Committee on Government Operations pertaining to this subject matter.

(5) With reference to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee makes the following statement in regard to the inflationary impact of the reported bill:

The enactment of this legislation will have no inflationary impact on the prices and costs in the operation of the national economy.

Cost of the Legislation

Rule XIII 7 of the Rules of the House of Representatives requires a statement of the estimated costs to the United States which would be incurred in carrying out H.R. 6254 as reported, in fiscal year 1983 and each of the following 5 years. The committee estimate of these costs, in terms of authorizations contained in the bill, is $24,700,000 in fiscal year 1983 and $7,000,000 annually thereafter. The estimates of outlays contained in the report of the Congressional Budget Office is considered reasonable.

Committee Action and Vote

The Committee in compliance with rule X12(1)(B), the majority of the Committee having actually been present, reports favorably the bill, H.R. 6254, as amended. The bill was ordered reported by a voice vote.

Changes in Existing Law Made by the Bill, As Reported

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 3, UNITED STATES CODE

* * * * * * *

CHAPTER 3—PROTECTION OF THE PRESIDENT; UNITED STATES SECRET SERVICE UNIFORMED DIVISION

* * * * * * *

§ 202. United States Secret Service Uniformed Division; establishment, control, and supervision; privileges, powers, and duties

There is hereby created and established a permanent police force, to be known as the "United States Secret Service Uniformed Division". Subject to the supervision of the Secretary of the Treasury, the United States Secret Service Uniformed Division shall perform such duties as the Director, United States Secret Service, may prescribe in connection with the protection of the following: (1) the White House in the District of Columbia; (2) any building in which Presidential offices are located; (3) the President and members of his immediate family; (4) foreign diplomatic missions located in the metropolitan area of the District of Columbia; (5) the temporary official residence of the Vice President and grounds in the District of Columbia; (6) the Vice President and members of his immediately [1] family; (7) foreign diplomatic missions located in metropolitan areas (other than the District of Columbia) in the United States where there are located twenty or more such missions headed by fulltime officers, except that such protection shall be provided only (A) on the basis of extraordinary protective need, (B) upon request of the affected metropolitan area, and (C) when the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization, provided that such protection *may be provided for motorcades and at other places associated with such a visit and* may be extended at places of temporary domicile in connection with such a visit; and (8) foreign diplomatic missions located in such areas in the United States, its territories and possessions, as the President, on a case-by-case basis, may direct. The members of such force shall possess privileges and

powers similar to those of the members of the Metropolitan Police of the District of Columbia.

* * * * * * *

§ 208. Reimbursement of State and local governments

(a) In carrying out the functions pursuant to section 202(7), the Secretary of Treasury may utilize, with their consent, on a reimbursable basis, the services, personnel, equipment, and facilities of State and local governments, and is authorized to reimburse such State and local governments for the utilization of such services, personnel, equipment, and facilities. The authority of this subsection may be transferred by the President to the Secretary of State.

[(b) There is authorized to be appropriated not more than $3,500,000 under this section for the purposes of reimbursement for any fiscal year, to remain available for expenditure as provided in appropriation Acts.]

(b) There is authorized to be appropriated, in addition to such sums as have been heretofore appropriated under this section—

(1) $7,000,000 for each fiscal year beginning after September 30, 1982, for the payment of reimbursement obligations entered into under subsection (a) after such date; and

(2) $17,700,000 for the payment of reimbursement obligations entered into under subsection (a) before October 1, 1982.

Amounts appropriated under this subsection shall remain available until expended.

* * * * * * *

○

97TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 97-534

AUTHORIZATION OF SMITHSONIAN INSTITUTION MUSEUM OF AFRICAN ART AND A CENTER FOR EASTERN ART

MAY 17, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOWARD, from the Committee on Public Works and Transportation, submitted the following

REPORT

[To accompany H.R. 5659]

[Including cost estimate of the Congressional Budget Office]

The Committee on Public Works and Transportation, to whom was referred the bill (H.R. 5659) to authorize the Smithsonian Institution to construct a building for the Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at 10th Street Southwest, in the city of Washington, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause of the bill and inserts a new text which appears in italic type in the reported bill.

BACKGROUND

Public Law 96-36 authorized $500,000 to be appropriated for development planning of the Smithsonian's Quadrangle project and was signed by the President on July 20, 1979. In fiscal year 1982, $960,000 was appropriated to complete planning and design for a center for African, Near Eastern, and Asian culture and art within the 4.2-acre quadrangle of land bounded by the Smithsonian Institution Building, the Arts and Industries building, the Freer Gallery of Art, and Independence Avenue. This complex, estimated to cost $75 million to construct, will be financed equally by Federal and private sponsors. For fiscal year 1983, the Smithsonian has included an amount of $36.5 million in its budget request to begin construction of the project in the early part of calendar year 1983. The Institution is committing more

89-006 O

H643-4

than $11 million from its own non-Federal resources to the project, and also has been engaged in a major fund-raising effort that has produced substantial gifts and pledges from individuals and corporations here and abroad, and from foreign governments as well. The total amount from all sources beyond the Federal Government is currently more than $26 million.

The proposed center will provide, for the first time in our Nation's Capital, exhibition and education facilities appropriate for presentation of the artistic accomplishments of the cultures that encompass two-thirds of the world's population and extend from the Atlantic shores of Africa across the Mediterranean to the Pacific Basin.

PURPOSE OF THE LEGISLATION

H.R. 5659 would provide the Board of Regents of the Smithsonian Institution with authority to construct a building for the National Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at 10th Street SW., in Washington, D.C.

The bill also authorizes the appropriation of $36,500,000 to carry out its purposes, and provides that any portion of the sums appropriated may be transferred to the General Services Administration which, in consultation with the Smithsonian, is authorized to enter into contracts and take other necessary action to construct the building described.

NEED FOR THE LEGISLATION

The central purpose of the Smithsonian Institution is to provide knowledge and understanding. In its efforts to do so, however, there is an important segment of the world to which full justice has not been done—that vast and rich array of civilizations stretching from Japan and Korea through Southeast Asia, the Middle East, and all of Africa. This legislation recognizes that the non-Western world is becoming increasingly more important to the United States. Also, it recognizes a need and obligation to provide a place on the National Mall for these civilizations to display their tradition, cultures and history.

Presently, the Freer Gallery is the most important museum in America specializing in the art of the Near East and Asia. In 1979, Congress placed responsibility for the National Museum of African Art with the Institution. At a time, however, when an understanding of non-Western cultures has assumed new urgency, it is apparent that the Smithsonian's existing facilities are inadequate to meet the need. The Freer Gallery needs more space for its programs, the National Museum of African Art needs and deserves modern facilities among the other Smithsonian museums on the Mall, and the Smithsonian as a whole needs facilities in which the achievements of all non-Western cultures can be studied, discussed and exhibited.

The Quadrangle, a center for non-Western cultures, will help the Smithsonian meet this need. This new Center will give the Institution's 25 million annual visitors (as well as those who see the Institution's traveling exhibitions in this and other countries) an understanding of the great cultural achievements of the peoples and civili-

zations of Africa, the Near East, and Asia. The Quadrangle will have exhibition galleries and supporting museum facilities for the proper display of the unique collections of the National Museum of African Art, as well as for expansion of the programs of the Freer Gallery of Art whose collections are widely recognized as among the world's finest. In addition, quarters are planned for the national and resident associate programs, the visitor information and reception program, the Smithsonian Institution Traveling Exhibition Service, expanded public education facilities, and a much-needed International Center for special exhibitions and symposia.

The Quadrangle site will be occupied by two small entrance pavilions bordering Independence Avenue which will serve as introductory galleries and form an enclosure for an eclectic landscape combination particularly evocative of 19th century landscape design and appropriate to the Smithsonian Institution Building and the Arts and Industries Building. Currently, tentative design drawings indicate that the Quadrangle Development project will provide for approximately 360,000 gross square feet of space, of which approximately 70,000 square feet will be dedicated for use by the Center for Eastern Art and approximately 68,000 square feet will be dedicated for use by the Museum of African Art. The remaining space will be utilized for related educational activities. By the very nature of their design, these buildings will be energy efficient and will minimize the effects of solar heat load or heat drains on the facility.

The two pavilions will allow access to three building levels below grade, which constitute approximately 95 percent of the structure, and include exhibition galleries, libraries, classrooms, and space for the care and study of collections. The galleries will permit the Institution to present a variety of exhibitions drawn from the resources of its own museums, other United States collections, or borrowed from abroad. The International Center will enable the Institution to organize international symposia and exhibitions.

The design for development of the Quadrangle was originally conceived by the internationally known Japanese architect, Junzo Yoshimura. Since then, the Boston firm of Shepley, Bulfinch, Richardson & Abbott and its principal architect, Jean Paul Carlhian, has developed site and building plans which have been approved by the National Capital Planning Commission and the Commission of Fine Arts. All requirements of the National Environmental Policy Act and the National Historic Preservation Act have been successfully completed.

Costs of Quadrangle planning over the past four years have been financed primarily by Smithsonian fund transfers amounting to approximately $1,500,000. In the current fiscal year, however, $960,000 in Federal funds also has been made available for the same purpose. These funds have been the key to assuring completion of the planning process, and are also significant in representing an active Federal presence in the Quadrangle partnership which, in turn, has encouraged the commitment of others, in the United States and in countries around the world, to participate as well.

In addition to the Smithsonian's commitment of more than $11 million from the net revenues of its auxiliary activities over a multi-

year period, the Institution has received gifts and pledges from foreign governments and corporations of over $7 million, and from U.S. foundations, corporations, and individuals, slightly over $6 million. It is anticipated that the sale of the Capitol Hill property currently occupied by the National Museum of African Art, excluding the historic Frederick Douglass House, will yield approximately $2 million which will be applied to the cost of Quadrangle construction. As stated by the Secretary of the Smithsonian in testimony before the Subcommittee on Public Buildings and Grounds on April 27, 1982, efforts to secure the balance of the non-Federal contribution are proceeding well.

It is also expected that the project will attract gifts of unique and important collections which currently are in private hands. These collections, reflecting the art and history of Asia, Africa, and the Near East, will enhance further the Smithsonian's ability to underscore the cultural links between people in spite of their historical diversities.

Enactment of H.R. 5659 and full Federal budget authority of $36.5 million in fiscal year 1983 will enable the Smithsonian to proceed in a timely manner. It is anticipated that a fixed price contract for the construction of the Quadrangle can be awarded early in 1983, based on the present design schedule and the usual bid process. The estimated construction period is about 3 years, with project completion anticipated in March 1986.

While it will be necessary to award the contract for the full bid amount, cash requirements to meet contractor payments will be phased over the duration of the project. It is estimated that Federal outlays of $5 million in fiscal year 1983, $15 million in fiscal year 1984, and $16.5 million in fiscal year 1985 will be required. Construction can be initiated and conducted effectively if the Institution is provided contract authority in the amount of $36.5 million in fiscal year 1983 and sufficient liquidating appropriations in that and the two succeeding fiscal years. This procedure has worked well in the past for both the Hirshhorn Museum and National Air and Space Museum construction projects.

The committee believes that the liquidating appropriations should be approved only after the Smithsonian has certified to the Committee on Public Works and Transportation and the Committee on Appropriations that matching amounts of non-Federal funds are available for project purposes.

EXECUTIVE COMMUNICATION

SMITHSONIAN INSTITUTION,
Washington, D.C., March 26, 1982.

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of March 15 requesting the views of the Smithsonian Institution on H.R. 5659, a bill "to authorize the Smithsonian Institution to construct a building for a Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independ-

ence Avenue at Tenth Street Southwest, in the city of Washington." In addition to authorizing construction of what is known as the Smithsonian's Quadrangle project, the bill also authorizes the appropriation of $36,500,000 and permits the transfer of funds from the Smithsonian to the General Services Administration to carry out the purposes of the Act.

The bill results from a four-year-old planning process that the Smithsonian has been pursuing in order to meet major programmatic requirements within the limits of available space and prospective financing. The plan that has evolved contemplates development of the 4.2 acre quadrangle bounded by the Smithsonian's original building (the red sandstone "castle" on the Mall), the Freer Gallery of Art, Independence Avenue, and the Arts and Industries building. Two small pavilions, designed to enhance the historic character of their surroundings and combine with landscaping to create a quiet public garden, would lead through introductory galleries to subsurface spaces, representing ninety-five percent of the overall structure, in which would be housed major exhibition galleries for the display of the history and culture of Africa, the Near East, and Asia; an international seminar and conference facility; and other areas for the Institution's public service and educational outreach activities. The pavilion on the eastern side of the Quadrangle would provide a Mall site for the collections of our National Museum of African Art, and the one on the west, adjacent to the Freer, will permit expansion of its Near Eastern and Asian programs while, at the same time, providing space for related exhibitions and activities which, under the terms of the Freer Will, are currently precluded. Plans and specifications will be completed later this year.

Financing of the Quadrangle project is and has been viewed as a joint enterprise involving both appropriated and non-appropriated funds. If approval to begin construction in fiscal year 1983 is forthcoming, the total cost of the project, including planning, is estimated at $75 million. Our plan proposes that $37.5 million of the total amount be provided from appropriations and that an equal share be forthcoming from non-appropriated sources. This concept has been endorsed by the House and Senate Appropriations Committees in their initial approval of $1 million for planning in fiscal year 1982 which subsequently was limited to $960,000 as a result of a general 4-percent reduction in appropriations levels late last fall.

Efforts to raise non-Federal funds have been proceeding as our plans have been developing. The Smithsonian has received substantial gifts from foreign governments, domestic and foreign corporations, foundations, and individuals, and significant additional contributions are expected in the near future. Furthermore, the Institution is setting aside for project purposes between $1 and $2 million per year through fiscal year 1985 from the net revenues of its auxiliary activities and anticipates applying proceeds from the sale of property (with the exception of the Frederick Douglass house) occupied by the National Museum of African Art to the costs of the construction. Funds from these sources total approximately $18 million, and we believe that prospects for securing the remainder are good.

Enactment of H.R. 5659 and full budget authority in the amount of $36.5 million is required in order to allow a construction contract to be

awarded early in fiscal year 1983 and to complete the project as designed within existing estimates. However, we recognize the need to hold down Federal outlays and would expect to phase their application over 3 years with an estimated $5 million in fiscal year 1983; $15 million in fiscal year 1984; and $16.5 million in fiscal year 1985.

The Office of Management and Budget advises that it has no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely yours,

S. DILLON RIPLEY, *Secretary.*

It should be noted that funds in the amount of $36,500,000 for the construction authorized by this legislation are contained in the President's budget request for fiscal year 1983.

COMPLIANCE WITH CLAUSE 2(l) OF RULE XI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

(1) With reference to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, no separate hearings were held on the subject matter of this legislation by the Subcommittee on Oversight and Review. However, the Subcommittee on Public Buildings and Grounds held hearings on this subject matter which resulted in the reported bill.

(2) With reference to clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives the bill, as reported, does not provide new budget authority or increased tax expenditures.

(3) With reference to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, the committee has received a report prepared by the Congressional Budget Office under section 403 of the Congressional Budget Act. The report is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 13, 1982.

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 5659, to authorize the Smithsonian Institution to construct a building for the Museum of African Art and a center for Eastern Art.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 5659.

2. Bill title: To authorize the Smithsonian Institution to construct a building for the Museum of African Art and a center for Eastern Art.

3. Bill status: As ordered reported by the House Committee on Public Works and Transportation, May 13, 1982.

4. Bill purpose: The purpose of this bill is to authorize appropriations for the Smithsonian Institution. This bill is subject to subsequent appropriation action.

5. Cost estimate:

	Millions
Authorization level:	
Fiscal year:	
1983	$36.5
1984	-----
1985	-----
1986	-----
1987	-----
Estimated outlays:	
Fiscal year:	
1983	5.0
1984	15.0
1985	16.5
1986	-----
1987	-----

The costs of this bill fall in budget subfunction 503.

6. Basis for estimate: The authorization level of $36.5 million is stated in the bill. Full appropriation of the authorization level is assumed in this estimate. Outlays are based on historical spendout rates for construction funds.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Stacey Sheffrin.

10. Estimate approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.

(4) With reference to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has not received a report from the Committee on Government Operations pertaining to this subject matter.

(5) With reference to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the committee makes the following statement in regard to the inflationary impact of the reported bill:

The enactment of this legislation will have no inflationary impact on the prices and costs in the operation of the national economy.

COST OF LEGISLATION

Rule XIII 7 of the Rules of the House of Representatives requires a statement of the estimated costs to the United States which would be incurred in carrying out H.R. 5659 as reported, in fiscal year 1983 and each of the following 5 years. The committee estimate of these costs, in terms of authorizations contained in the bill, is $36,500,000 in fiscal year 1983. The estimates of outlays contained in the report of the Congressional Budget Office is considered reasonable.

COMMITTEE ACTION AND VOTE

The Committee in compliance with rule XI2(l)(B), the majority of the Committee having actually been present, reports favorably the bill, H.R. 5659, as amended. The bill was ordered reported by a voice vote.

○